

# POOLED MONEY INVESTMENT BOARD

65<sup>th</sup> Annual Report | Fiscal Year 2020-21



FIONA MA, CPA | State Treasurer and Chair



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# Preface

## **POOLED MONEY INVESTMENT BOARD**

The Pooled Money Investment Board (PMIB), created by the Legislature in 1955, consists of the State Treasurer, as chair; the State Controller; and the Director of Finance. For Fiscal Year 2020-21, the PMIB members included State Treasurer Fiona Ma, State Controller Betty T. Yee, and Director of Finance Keely Martin Bosler.

With the goals of safety, liquidity, and yield in mind, the PMIB administers the Pooled Money Investment Account (PMIA). The PMIB uses the PMIA to effectively manage, through time deposits and investments, all monies flowing through the State Treasurer's bank accounts. These monies include the State's General Fund, Surplus Money Investment Fund (SMIF), and the Local Agency Investment Fund (LAIF). The PMIA's cash management and investment operations are managed by the State Treasurer.

In order to satisfy the above stated goals, State law limits the State Treasurer to investments in the following categories: U.S. government securities; securities of federally-sponsored agencies; California State securities; California municipal

bonds or warrants; domestic corporate bonds; interest-bearing time deposits in California commercial banks, savings and loan associations, and credit unions; prime-rated commercial paper; repurchase and reverse repurchase agreements; security loans; banker's acceptances; negotiable certificates of deposit; negotiable order of withdrawal accounts; and loans to various bond funds.

During Fiscal Year 2020-21, the PMIA's earnings totaled more than \$606 million. Approximately \$174 million of this amount was credited to local governments as a result of their deposits in LAIF. The level of LAIF investments, which averaged \$33.51 billion daily, reflects the confidence these agencies have in the State Treasurer's investment management capabilities. The magnitude of these investment earnings provides a significant reduction in the tax burden that otherwise would be imposed on the residents of California.

This report, the PMIB 65<sup>th</sup> Annual Report for Fiscal Year 2020-21, includes information on the PMIA and the State's Demand Account Program, the latter of which is administered by the State Treasurer's Centralized Treasury and Securities Management Division (CTSMD).





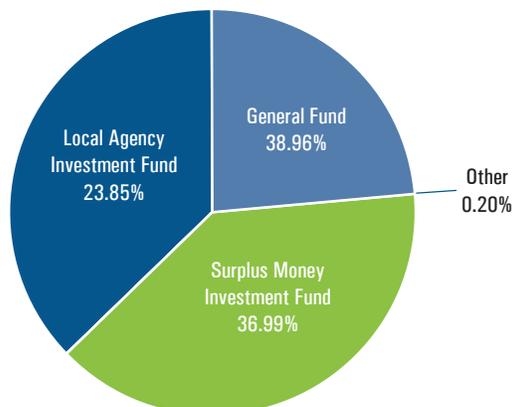
# 1. Pooled Money Investment Account

Resources of the PMIA averaged \$123.164 billion per day during Fiscal Year 2020-21, although the daily figures fluctuated widely with receipts and disbursements.

On the closing day of the fiscal year, the following resources were on hand in the PMIA:

Securities	\$188,656,832,617
General Fund Loans	0
PMIA Loans	725,276,000
Time Deposit Balances	3,935,500,000
Demand Deposit Balances	2,992,941,497
<b>TOTAL RESOURCES</b>	<b>\$196,310,550,114</b>

**SOURCE OF FUNDS, PMIA  
QUARTER ENDING 6/30/21  
AVERAGE QUARTERLY BALANCE: \$97.905 billion**



## SUMMARY STATISTICS

Demand Accounts	\$1.903	billion per day on the average
Portfolio	121.261	billion per day on the average
<b>TOTAL RESOURCES</b>	<b>\$123.164</b>	<b>billion per day on the average</b>
Earnings	\$597.526	million from security investments
	8.985	million from bank time deposits
	0.220	million from General Fund loans
<b>TOTAL EARNINGS</b>	<b>\$606.731</b>	<b>million</b>
Earnings Rate	0.50	percent average for all investments
Dollar Value of Investment Transactions	\$513.6	billion
Number of Investment Transactions	10,653	transactions
Time Deposits	59	banks, credit unions, and savings and loan associations held PMIA money at year-end

## INVESTMENT PROGRAM

While the PMIB designates how much shall be invested in interest-bearing time deposit accounts and securities, it is the responsibility of the State Treasurer to administer the investment program on a day-to-day basis in line with overall PMIB policy. This entails a daily determination of amounts available for investment, or the need for liquidating securities to meet estimated warrant redemption requirements, while maintaining the approved compensating balance position. This means that the State Treasurer must continually adjust the estimates for receipts and disbursements to reflect currently available information.

## TIME DEPOSITS

For Fiscal Year 2020-21, daily investments in time deposits ranged from \$3.9 billion to \$5.5 billion and averaged \$4.5 billion daily. There were 932 time deposit transactions totaling \$26.1 billion during the year. California commercial banks, savings and loan associations, and credit unions receiving these State deposits must secure them with approved securities having a market value of at least 110 percent of the deposits or with approved promissory notes secured by mortgages or deeds of trust having a market value of at least 150 percent of the deposits. The same collateral requirements also apply to the State's demand accounts. At the end of Fiscal Year 2020-21, interest-bearing time deposits were held by 43 commercial banks, 14 credit unions, and two savings and loans throughout California. For the fiscal year, PMIA holdings in time deposits had an average yield of 0.198 percent.

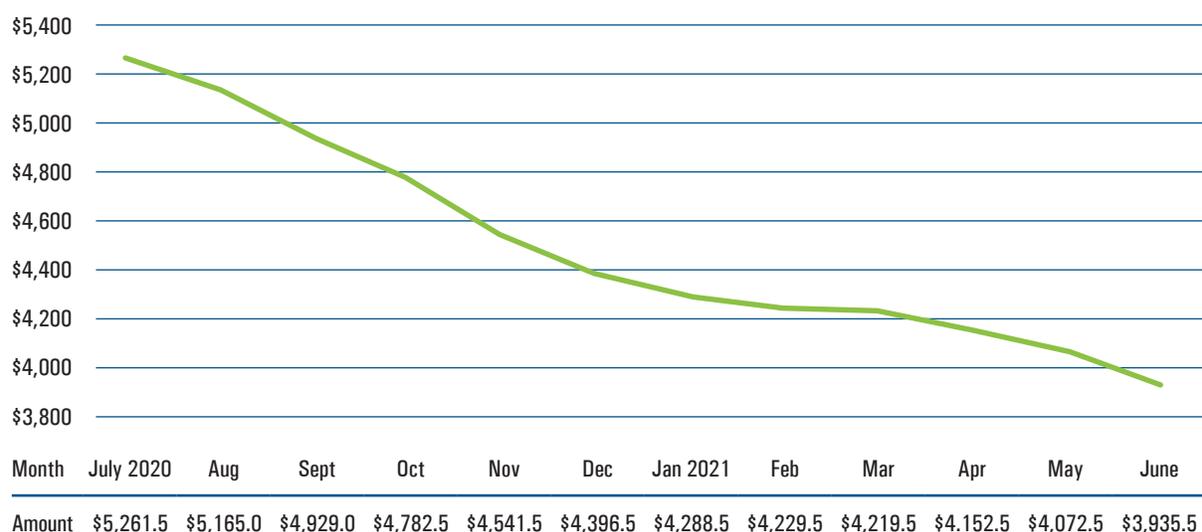
## SECURITIES

The amount of money designated by the PMIB for investment in securities varies dramatically throughout the year. Such designations are made at least monthly. Again, the State Treasurer handles the actual investments, determining the issue and maturity of authorized securities to be bought or sold in accordance with cash needs and both current and projected market conditions. During Fiscal Year 2020-21, there were 5,791 security purchase transactions and 3,930 security sales or redemption transactions, with a total investment activity of \$487.5 billion. The overall return on investments was 0.50 percent.

These earnings were credited as follows: Total earnings for the PMIA in Fiscal Year 2020-21 were \$606.7 million. Total earnings for the Interest Bearing Demand Accounts in Fiscal Year 2020-21 were \$2.5 million.

Surplus Money Investment Fund	\$266,506,783
Local Agency Investment Fund	173,724,294
General Fund	167,480,803
Public Employees' Retirement Fund	639,653
Teachers' Retirement Fund	540,247
Fish and Game Preservation Fund	343,100
<b>TOTAL EARNINGS</b>	<b>\$609,234,880</b>

## TIME DEPOSITS BY MONTH-END, FISCAL YEAR 2019-20 (\$ in millions)



## ANALYSIS OF THE PORTFOLIO, FISCAL YEAR 2020-21

Type of Security	Average Daily Portfolio	Percent of Portfolio (%)	Earnings For Year	Average Portfolio Life on 6/30/21 (in Days)
U.S. Treasury Bills/Strips	\$39,788,156,309	32.81%	\$71,168,179	110
U.S. Treasury Bonds/Notes	31,796,367,678	26.22%	397,023,490	276
Agency Coupon Securities	5,893,225,290	4.86%	37,115,834	544
Agency Discount Notes	14,105,683,082	11.63%	21,180,451	92
REMICs	13,425,317	0.01%	751,563	4381
Negotiable CDs	15,278,322,226	12.60%	40,966,321	76
Bank Notes	20,684,932	0.02%	286,195	187
Time Deposits	4,548,522,767	3.75%	8,984,536	74
Commercial Paper	9,114,840,829	7.52%	22,127,672	67
Corporate Bonds	10,896,700	0.01%	85,331	297
Repurchase Agreements	0	0.00%	0	0
Reverse Repurchase Agreements	0	0.00%	0	0
PMIA Loans	670,220,189	0.55%	6,821,935	176
General Fund Loans	21,145,671	0.02%	219,988	14
<b>TOTAL PORTFOLIO</b>	<b>\$121,261,490,990</b>	<b>100.00%</b>	<b>\$606,731,495</b>	<b>291</b>

**SUMMARY OF INVESTMENTS AND EARNINGS FOR FISCAL YEARS  
ENDING JUNE 30, 2011 THROUGH 2021 (\$ in thousands)**

INVESTMENT IN SECURITIES				INVESTMENT IN TIME DEPOSITS			
Fiscal Year	Average Daily Investment	Earnings	Earnings Rate (%)	Fiscal Year	Average Daily Investment	Earnings	Earnings Rate (%)
2011-12	\$50,379,295	\$204,808	0.41	2011-12	\$4,173,405	\$4,207	0.10
2012-13	\$50,680,825	\$160,581	0.32	2012-13	\$4,344,156	\$6,484	0.15
2013-14	\$48,555,052	\$127,410	0.26	2013-14	\$4,517,204	\$4,550	0.10
2014-15	\$51,833,180	\$148,978	0.29	2014-15	\$5,089,667	\$4,307	0.08
2015-16	\$58,774,672	\$267,315	0.45	2015-16	\$5,622,068	\$11,746	0.21
2016-17	\$62,724,461	\$484,507	0.77	2016-17	\$5,352,550	\$28,852	0.54
2017-18	\$69,987,963	\$966,827	1.38	2017-18	\$5,291,678	\$70,290	1.33
2018-19	\$84,641,345	\$1,916,928	2.26	2018-19	\$4,799,756	\$110,170	2.30
2019-20	\$90,918,963	\$1,774,276	1.95	2019-20	\$4,993,974	\$81,093	1.62
2020-21	\$116,691,822	\$597,526	0.51	2020-21	\$4,548,523	\$8,985	0.20

LOANS TO GENERAL FUND				TOTAL INVESTMENTS			
Fiscal Year	Average Daily Investment	Earnings	Earnings Rate (%)	Fiscal Year	Average Daily Investment	Earnings	Earnings Rate (%)
2011-12	\$9,080,017	\$33,974	0.37	2011-12	\$63,632,717	\$242,989	0.38
2012-13	\$5,729,912	\$19,699	0.34	2012-13	\$60,754,893	\$186,764	0.31
2013-14	\$2,263,360	\$5,755	0.25	2013-14	\$55,335,616	\$137,715	0.25
2014-15	\$2,215,814	\$5,799	0.26	2014-15	\$59,138,661	\$159,084	0.27
2015-16	\$971,008	\$4,315	0.44	2015-16	\$65,367,748	\$283,376	0.43
2016-17	\$1,905,092	\$14,097	0.74	2016-17	\$69,982,103	\$527,456	0.75
2017-18	\$553,674	\$6,540	1.18	2017-18	\$75,833,315	\$1,043,657	1.38
2018-19	\$279,178	\$6,454	2.31	2018-19	\$89,441,380	\$2,027,104	2.27
2019-20	\$0	\$0	0.00	2019-20	\$95,912,937	\$1,855,369	1.93
2020-21	\$21,146	\$220	1.04	2020-21	\$121,261,491	\$606,731	0.50

## Financial Community Coverage

The following firms conducted investment transactions with the State Treasurer's Office during Fiscal Year 2020-21.

1 <sup>st</sup> Capital Bank	Credit Agricole Corporate and Investment Bank	Oppenheimer & Co. Inc.
Academy Securities, Inc.	Daiwa Capital Markets America Inc.	Pacific Alliance Bank
Alamo Capital	Drexel Hamilton	Pacific City Bank
American First Credit Union	East West Bank	Pacific Enterprise Bank
American Plus Bank NA	EverTrust Bank	Pacific Premier Bank
American River Bank	Farmers & Merchants Bank of Central California	Pacific Western Bank
Axos Bank	Financial Partners Credit Union	Piper Jaffray & Co.
Banc of California NA	First Choice Bank	Poppy Bank (FKA First Community Bank)
Bancroft Capital, LLC	First Foundation Bank	Preferred Bank
Bank of Feather River	Five Star Bank	Prospectors Federal Credit Union
Bank of Hope	Fresno First Bank	Provident Credit Union
Bank of Montreal	Golden Credit Union	Provident Savings Bank
Bank of San Francisco	Golden Valley Bank	R. Sealaus & Co., LLC
Bank of Santa Clarita	Great Pacific Securities	Raymond James & Associates Inc.
Bank of Southern California NA	Hanmi Bank	RBC Capital Markets
Bank of the Orient	Hilltop Securities, INC.	River Valley Community Bank
Bank of the Sierra	ICAP Corporates LLC	SAFE Credit Union
Bank of the West	J.P. Morgan Securities LLC	Sammuel A. Ramirez & Co. Inc.
Barclays Capital Inc.	Lloyds Bank Securities Inc.	San Diego County Credit Union
Beacon Business Bank Bank, N.A.	Loop Capital Markets LLC	Santa Cruz County Bank
Beneficial State Bank	Luther Burbank Savings	Scotia Capital Markets (USA) Inc.
BGC Brokers Inc.	Malaga Bank FSB	Siebert, Williams, Shank & Co. LLC
Blaylock Van LLC	Manufacturers Bank	Societe Generale S.A.
BMO Capital Markets Corp.	Mechanics Bank	State Bank of India (California)
BNP Paribas Securities Corp.	Mega Bank	Stern Brothers & Co.
BofA Securities Inc.	Merchants Bank of Commerce	Stifel, Nicolaus & Co. Inc.
Cabrera Capital Markets LLC	Meriwest Credit Union	Strata Federal Credit Union
Caldwell Sutter Capital Inc.	Mesirow Financial Inc.	Suncrest Bank
California Bank of Commerce	Metropolitan Bank	TD Securities (USA) LLC
California Coast Credit Union	MFR Securities Inc.	Technology Credit Union
California Credit Union	Mischler Financial Group Inc.	Toyota Motor Credit Corp.
Cantor Fitzgerald and Co.	Mission Federal Credit Union	Travis Credit Union
CastleOak Securities LP	Mission National Bank	Tri Counties Bank
Cathay Bank	Mission Valley Bank	Tullett Prebon Americas Corp.
CIBC World Markets Corp.	Mizuho Securities USA LLC	UBS Financial Services Inc
Citigroup Global Markets Inc.	Morgan Stanley & Co. LLC	UNCLE Credit Union
CommerceWest Bank	MUFG Bank Ltd.	Union Banc Investment Services
Commercial Bank of California	Multi-Bank Securities Inc.	US Metro Bank
Commonwealth Business Bank	Natixis	Vining Sparks
Community Bank of the Bay	New Omni Bank NA	Wells Fargo Securities LLC
Community West Bank NA	Northrop Grumman Federal Credit Union	Wescom Central Credit Union
Cooperatieve Rabobank U.A.	Nuvison Federal Credit Union	
Cornerstone Community Bank	Open Bank	





## 2. Local Agency Investment Fund

### PROGRAM SUMMARY

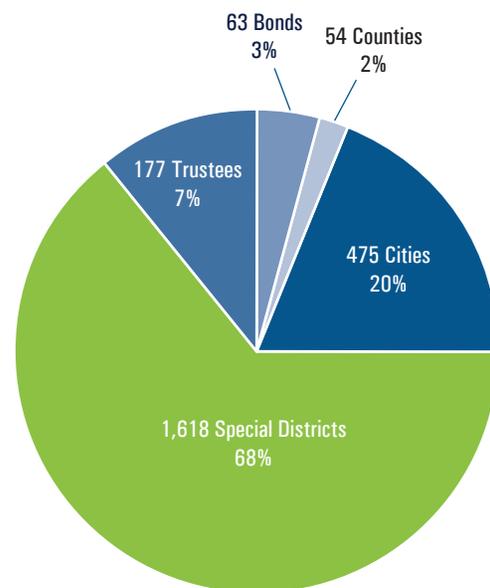
The Legislature established the Local Agency Investment Fund (LAIF) by Chapter 730, Statutes of 1976. LAIF provides local governmental agencies or trustees the opportunity to deposit money with the State Treasurer for investment purposes. In order to derive the maximum rate of return possible, the State Treasurer has elected to invest these monies as a part of the PMIA.

Each participating agency determines the length of time its money will be in deposit with the State Treasurer with the exception of bond proceeds, which must remain for a minimum of 30 days. At the end of each quarter, all earnings derived from investments are distributed by the State Controller to the LAIF participants in proportion to each agency's respective amount deposited in the LAIF and the length of time such amount remained in the LAIF. Prior to the distribution, the reasonable costs of administering the program are deducted from the earnings. As of June 30, 2021, there were 2,387 participants in the LAIF, consisting of 54 counties, 475 cities, 1,618 special districts, 177 trustees, and 63 bond accounts.

### FISCAL YEAR IN REVIEW

Resources	\$33.51 billion per day on average
Earnings	\$173.72 million
Earning Rate	0.50 percent

### LOCAL AGENCY INVESTMENT FUND PARTICIPATION AS OF 6/30/21, 2,387 AGENCIES





# 3. Surplus Money Investment Fund

## PROGRAM SUMMARY

The Legislature originally created the Surplus Money Investment Fund (SMIF) as a separate investment program. However, Chapter 505, Statutes of 1967 was later enacted which required that money in the SMIF be invested through the PMIA. This legislation further provided that the SMIF would share in the interest earnings of the PMIA based on the ratio of the dollar-day contributions of the SMIF to the dollar-day investments of the PMIA.

This legislation increased the potential investment earnings for both programs, since their high and low resource periods tend to complement each other. Accordingly, under normal market conditions, more long-term, higher yielding securities may be purchased.

Chiefly, the monies in the SMIF consist of the available cash from special funds that do not have their own investment authority and all or a portion of the available cash from special funds with investment authority of their own that have elected to invest through SMIF. For all of the participating special funds, the State Treasurer

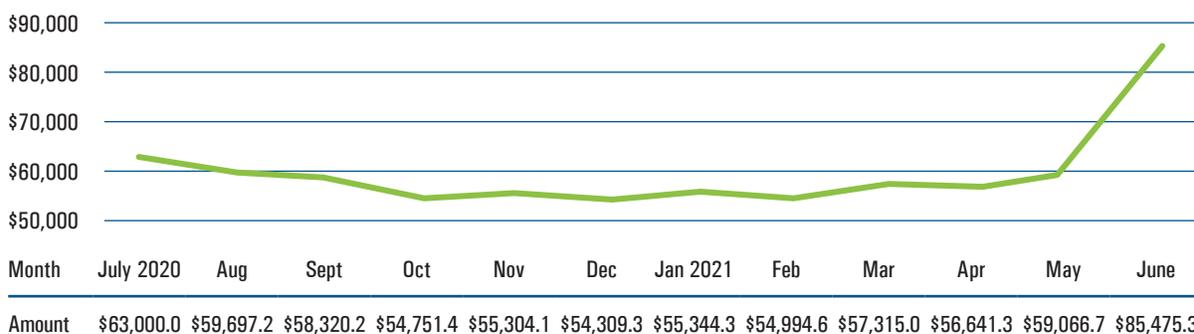
invests any cash balances that exceed the special fund's immediate cash needs.

More specifically, the PMIB determines whether any cash balances of the participating funds exceed current needs and are available for investment, or whether it is necessary to liquidate previous investments to meet current cash needs. This determination is performed operationally by the SCO by means of a continuous review of each participating fund's cash balance. As a result of these determinations, the SCO prepares a document for the PMIB's approval that authorizes it to increase or decrease the invested balances of the applicable funds.

As of June 30, 2021, there were more than a thousand special funds and accounts participating in the SMIF, bringing total resources to \$85.475 billion per quarter.

Gross earnings totaled \$285.630 million for Fiscal Year 2020-21, representing an earning rate of 0.50 percent for this investment program. SMIF earnings are computed on a dollar-day basis to guarantee equitable distribution among all member funds and are apportioned quarterly by the SCO.

**RESOURCES OF SMIF BY MONTH-END, FISCAL YEAR 2020-21 (\$ in millions)**



Source: State Controller's Office, Available Cash Assets in the State Treasury



## 4. Centralized Treasury and Securities Management

Investments of the PMIA are made from money flowing through the State Treasurer's non-interest bearing demand accounts, which are maintained with eight banks for the purpose of providing necessary statewide depository coverage for the remittance of funds collected by the various state agencies. Additionally, the Treasurer maintains two interest-bearing demand accounts to assist with mitigating the variances in cash flow. These bank accounts are managed by the Centralized Treasury and Securities Management Division (CTSMD), which oversees all banking aspects of the Centralized State Treasury System (CTS). The goals of the CTSMD are to maximize the earning of interest consistent with safe and prudent treasury management and to ensure that the depository banks provide the State with proper and adequate security for the deposit of state monies.

Within CTSMD, Securities and Banking Services (SBS) manages the demand account banking functions (through which approximately \$3.2 trillion flowed last year), meets the cash liquidity needs of all state agencies and departments, and ensures that all idle funds are invested daily. SBS accomplishes this by forecasting agency revenue collections and disbursements, determining their impact on the PMIA, and using compensating balances to allow for the variances in cash flow that are a natural consequence of forecasting the movement of cash. During the fiscal year, the balances allowed for banking services represent compensation for handling 317,314 bank deposits, 22.6 million checks deposited, 65,510 dishonored checks, 723.3 million in currency and coin deposited, and 24.5 million warrants/agency checks/vouchers paid.

In addition, SBS clears and settles securities purchased and sold for investment by the State Treasurer for the PMIA and other active investment funds as well as for securities pledged to the State for certain agencies or departments,

including the Department of Insurance and the Employment Development Department. On June 30, 2021, SBS managed approximately \$223.6 billion in investment and pledged securities consisting of 8,420 positions for 1,129 accounts; 9.6 million shares of stock for State Compensation Insurance Fund and Department of Insurance programs; and 147 time deposits representing \$3.9 billion for 59 financial institutions in the Time Deposit Program. During the fiscal year, SBS cleared and settled 54,791 transactions totaling \$544 billion and 7.5 million shares of stock.

Also within CTSMD, Banking Operations (BO) administers, clears and settles securities pledged as collateral by California financial institutions to the State for the Time, Demand, and State Agency programs. It ensures that all collected funds on deposit are collateralized in accordance with state law. BO managed over \$9.7 billion in securities consisting of 1,312 positions for 76 financial institutions. During the fiscal year, BO cleared and settled 11,356 security transactions totaling \$89.2 billion. BO also administers the safekeeping of items in the State Treasurer's Office vault, completing approximately 66 transactions annually and holding an inventory of 12,821 items. BO is responsible for the custody and protection of securities and items inside the vault as well as the physical security of the vault.

BO also redeems all items presented by banks for payment (an average of 98,000 items daily), handles forgeries, and manages stop payments. It reconciles deposits made by various state agencies and departments into the CTS accounts as set up by the State Treasurer, ensuring that all financial activities are accurately and timely posted by the state depository banks. In addition, BO manages the Electronic Funds Transfer collection and miscellaneous-sort/pre-sort deposit programs, under which the State collected approximately \$323.5 billion during the fiscal year.

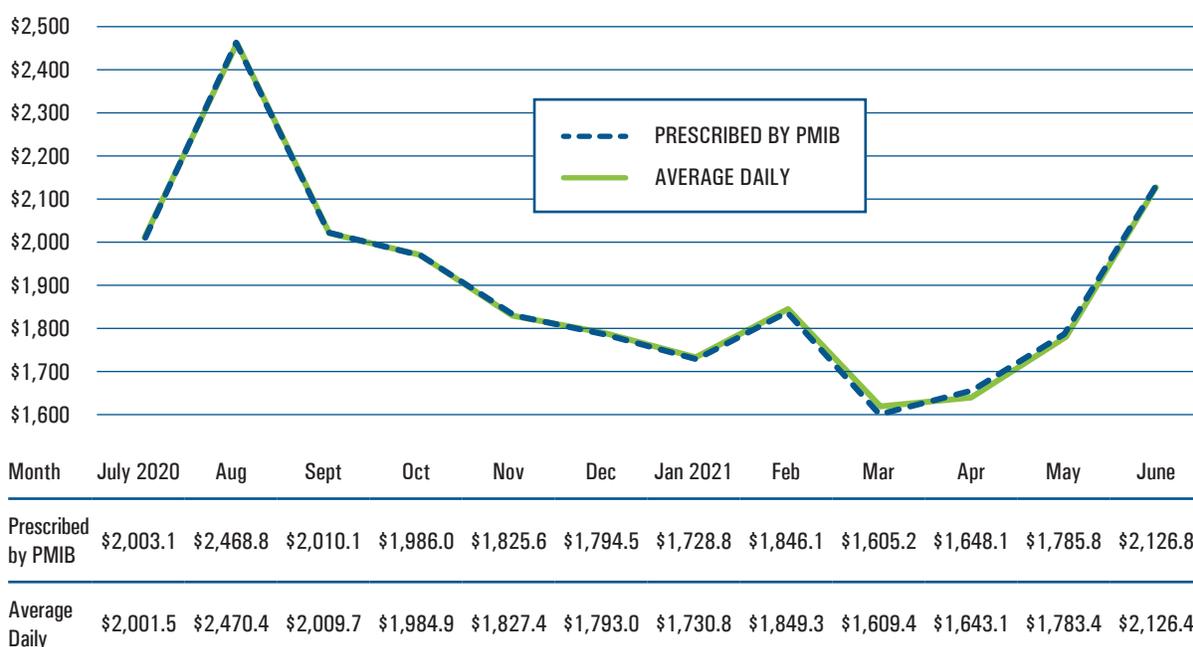
## SCHEDULE OF BANKING SERVICES, FISCAL YEAR 2020-21

NON-EFT CONTRACT SERVICES	Volume	Approved Charges	Cost
Checks Deposited			
Encoded Checks On Us	-	\$0.05	\$-
ICL Encoded On Us	9,529,414	\$0.03	285,882
Encoded Checks Other	27,131	\$0.06	1,628
ICL Encoded Other	1,144,730	\$0.03	34,342
ICL Encoded Other (Misc Sort)	6,610,388	\$0.01	66,104
Remote Site Checks	2,015,026	\$0.05	100,751
Non-Encoded Checks	3,310,456	\$0.10	331,046
Other			
Dishonored Checks	65,510	\$6.20	406,162
Regular Deposits	89,977	\$1.80	161,959
Split Bag Deposits	136,999	\$0.75	102,749
Electronic Deposits (ICL, RSD)	90,338	\$1.00	90,338
Currency and Coin Deposited	723,311,581	\$0.001	867,974
ACH Transactions	433,640	\$0.01	4,336
Warrants/Agency Checks/Vouchers Paid	24,513,191	\$0.01	245,132
Demand Checks Paid	83	\$0.12	10
Direct Billed Services			1,555,117
<b>SUBTOTAL NON-EFT CONTRACT SERVICES</b>			<b>4,253,530</b>
<b>EFT CONTRACT SERVICES (DIRECT BILLED)</b>			
ACH Credits	11,140,527	\$0.015	167,108
ACH Debits	612,709	\$0.21	128,669
Category II Items Processed	17,210,879	\$-	-
Returned/Rejected Items	300,827	\$1.50	451,241
Other transactions	38,140	Various	65,595
<b>SUBTOTAL EFT CONTRACT SERVICES SERVICES</b>			<b>812,612</b>
<b>TOTAL BANKING SERVICES</b>			<b>\$5,066,142</b>

### AVERAGE DAILY BALANCE IN DEMAND BANK ACCOUNTS, FISCAL YEAR 2020-21 (\$ in millions)

Month	Bank Balance Required for Banking Services	Bank Balance Required for Uncollected Funds	Delayed Deposit Credit	Bank Balance Prescribed by PMIB	Actual Average Daily Bank Balance
July 2020	\$1,905,654	\$97,888	(\$463)	\$2,003,078	\$2,001,548
August	2,361,067	108,264	(547)	2,468,784	2,470,416
September	1,884,402	126,423	(683)	2,010,143	2,009,652
October	1,890,689	96,031	(681)	1,986,040	1,984,863
November	1,711,464	117,319	(3,233)	1,825,550	1,827,380
December	1,680,944	113,972	(429)	1,794,487	1,793,000
January 2021	1,638,808	90,649	(678)	1,728,779	1,730,800
February	1,716,113	130,457	(513)	1,846,057	1,849,337
March	1,496,384	109,188	(346)	1,605,225	1,609,420
April	1,554,835	93,433	(119)	1,648,149	1,643,087
May	1,664,294	121,964	(435)	1,785,823	1,783,433
June	1,997,098	132,390	(2,663)	2,126,824	2,126,439
<b>WEIGHTED AVERAGE</b>	<b>\$1,792,488</b>	<b>\$111,278</b>	<b>(\$894)</b>	<b>\$1,902,872</b>	<b>\$1,902,894</b>

### AVERAGE DAILY BALANCE IN DEMAND BANK ACCOUNTS, FISCAL YEAR 2020-21 (\$ in millions)





# Appendix A

## POOLED MONEY INVESTMENT ACCOUNT SUMMARY OF INVESTMENTS AND EARNINGS (\$ in thousands)

Fiscal Year	Average Investment Portfolio	Earnings	Annual Earnings Rate (%)
1956-57	\$393,742	\$9,573	2.43
1957-58	\$594,306	\$16,421	2.76
1958-59	\$544,868	\$15,762	2.89
1959-60	\$614,835	\$21,045	3.42
1960-61	\$736,204	\$28,139	3.82
1961-62	\$867,144	\$26,521	3.06
1962-63	\$910,863	\$30,548	3.35
1963-64	\$896,535	\$32,519	3.63
1964-65	\$966,592	\$38,004	3.93
1965-66	\$1,083,347	\$47,761	4.41
1966-67	\$1,057,800	\$52,540	4.97
1967-68	\$1,117,717	\$56,566	5.06
1968-69	\$1,301,302	\$78,174	6.01
1969-70	\$1,216,414	\$84,781	6.97
1970-71	\$1,264,894	\$77,527	6.13
1971-72	\$1,397,494	\$68,350	4.89

## POOLED MONEY INVESTMENT ACCOUNT SUMMARY OF INVESTMENTS AND EARNINGS (\$ in thousands), CONTINUED

Fiscal Year	Average Investment Portfolio	Earnings	Annual Earnings Rate (%)
1972-73	\$2,254,401	\$125,116	5.55
1973-74	\$2,594,629	\$232,780	8.97
1974-75	\$2,749,431	\$238,298	8.67
1975-76	\$3,209,143	\$204,303	6.37
1976-77	\$4,460,487	\$261,657	5.87
1977-78	\$6,843,940	\$458,625	6.70
1978-79	\$8,123,266	\$692,417	8.52
1979-80	\$8,285,941	\$873,469	10.54
1980-81	\$7,298,693	\$786,877	10.78
1981-82	\$5,234,524	\$631,968	12.07
1982-83	\$5,254,589	\$549,229	10.45
1983-84	\$7,094,849	\$738,462	10.41
1984-85	\$11,903,660	\$1,275,503	10.72
1985-86	\$15,438,406	\$1,401,990	9.08
1986-87	\$19,167,196	\$1,425,047	7.43
1987-88	\$17,628,558	\$1,388,074	7.87

**POOLED MONEY INVESTMENT ACCOUNT  
SUMMARY OF INVESTMENTS AND EARNINGS  
(\$ in thousands), CONTINUED**

Fiscal Year	Average Investment Portfolio	Earnings	Annual Earnings Rate (%)
1988-89	\$17,496,405	\$1,516,767	8.67
1989-90	\$19,558,775	\$1,692,905	8.66
1990-91	\$20,754,895	\$1,663,140	8.01
1991-92	\$21,456,433	\$1,329,476	6.20
1992-93	\$23,051,543	\$1,085,126	4.71
1993-94	\$25,433,078	\$1,115,660	4.39
1994-95	\$26,802,123	\$1,482,574	5.53
1995-96	\$26,623,196	\$1,519,020	5.71
1996-97	\$28,264,069	\$1,582,443	5.60
1997-98	\$29,344,512	\$1,672,382	5.70
1998-99	\$33,451,088	\$1,787,765	5.34
1999-00	\$35,029,034	\$1,999,483	5.71
2000-01	\$43,840,421	\$2,676,158	6.10
2001-02	\$49,827,077	\$1,716,545	3.45
2002-03	\$52,636,648	\$1,132,930	2.15
2003-04	\$54,581,850	\$836,072	1.53
2004-05	\$53,860,487	\$1,215,116	2.26

**POOLED MONEY INVESTMENT ACCOUNT  
SUMMARY OF INVESTMENTS AND EARNINGS  
(\$ in thousands), CONTINUED**

Fiscal Year	Average Investment Portfolio	Earnings	Annual Earnings Rate (%)
2005-06	\$55,714,817	\$2,157,845	3.87
2006-07	\$58,147,441	\$2,977,625	5.12
2007-08	\$63,479,513	\$2,745,747	4.32
2008-09	\$60,003,197	\$1,334,677	2.22
2009-10	\$65,080,839	\$423,804	0.65
2010-11	\$67,221,703	\$332,579	0.49
2011-12	\$63,632,717	\$242,989	0.38
2012-13	\$60,754,893	\$186,764	0.31
2013-14	\$55,335,616	\$137,715	0.25
2014-15	\$59,138,661	\$159,084	0.27
2015-16	\$65,367,748	\$283,376	0.43
2016-17	\$69,982,103	\$527,456	0.75
2017-18	\$75,833,315	\$1,043,657	1.38
2018-19	\$89,441,380	\$2,027,104	2.27
2019-20	\$95,912,937	\$1,868,112	1.93
2020-21	\$121,261,491	\$606,731	0.50

## Appendix B

### HISTORICAL PMIA YIELDS (% per year)

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Semi-Annual
Mar-77		5.68	
Jun-77	5.87	5.78	5.79
Sep-77		5.84	
Dec-77		6.45	6.18
Mar-78		6.97	
Jun-78	6.70	7.35	7.17
Sep-78		7.86	
Dec-78		8.32	8.09
Mar-79		8.81	
Jun-79	8.52	9.10	8.98
Sep-79		9.26	
Dec-79		10.06	9.66
Mar-80		11.11	
Jun-80	10.54	11.54	11.38
Sep-80		10.01	

### HISTORICAL PMIA YIELDS (% per year), CONTINUED

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Semi-Annual
Dec-80		10.47	10.21
Mar-81		11.23	
Jun-81	10.78	11.68	11.69
Sep-81		12.40	
Dec-81		11.91	12.19
Mar-82		11.82	
Jun-82	12.07	11.99	11.93
Sep-82		11.74	
Dec-82		10.71	11.26
Mar-83		9.87	
Jun-83	10.45	9.64	9.98
Sep-83		10.04	
Dec-83		10.18	10.15
Mar-84		10.32	
Jun-84	10.41	10.88	10.63

**HISTORICAL PMIA YIELDS**  
(% per year), CONTINUED

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Semi-Annual
Sep-84		11.53	
Dec-84		11.41	11.44
Mar-85		10.32	
Jun-85	10.72	9.98	10.19
Sep-85		9.54	
Dec-85		9.43	9.50
Mar-86		9.09	
Jun-86	9.08	8.39	8.70
Sep-86		7.81	
Dec-86		7.48	7.65
Mar-87		7.24	
Jun-87	7.44	7.21	7.23
Sep-87		7.54	
Dec-87		7.97	7.80
Mar-88		8.01	
Jun-88	7.87	7.87	7.95
Sep-88		8.20	
Dec-88		8.45	8.34
Mar-89		8.76	
Jun-89	8.67	9.13	8.97
Sep-89		8.87	
Dec-89		8.68	8.78
Mar-90		8.52	
Jun-90	8.66	8.50	8.52
Sep-90		8.39	
Dec-90		8.27	8.34

**HISTORICAL PMIA YIELDS**  
(% per year), CONTINUED

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Semi-Annual
Mar-91		7.97	
Jun-91	8.01	7.38	7.67
Sep-91		7.00	
Dec-91		6.52	6.74
Mar-92		5.87	
Jun-92	6.20	5.45	5.65
Sep-92		4.97	
Dec-92		4.67	4.82
Mar-93		4.64	
Jun-93	4.71	4.51	4.61
Sep-93		4.44	
Dec-93		4.36	4.39
Mar-94		4.25	
Jun-94	4.39	4.45	4.36
Sep-94		4.96	
Dec-94		5.37	5.15
Mar-95		5.76	
Jun-95	5.53	5.98	5.87
Sep-95		5.89	
Dec-95		5.76	5.83
Mar-96		5.62	
Jun-96	5.71	5.52	5.56
Sep-96		5.57	
Dec-96		5.58	5.57
Mar-97		5.56	
Jun-97	5.59	5.63	5.59

**HISTORICAL PMIA YIELDS**  
(% per year), CONTINUED

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Semi-Annual
Sep-97		5.68	
Dec-97		5.71	5.69
Mar-98		5.70	
Jun-98	5.70	5.66	5.67
Sep-98		5.64	
Dec-98		5.46	5.55
Mar-99		5.19	
Jun-99	5.34	5.08	5.13
Sep-99		5.21	
Dec-99		5.49	5.34
Mar-00		5.80	
Jun-00	5.71	6.18	5.99
Sep-00		6.47	
Dec-00		6.52	6.49
Mar-01		6.16	
Jun-01	6.10	5.32	5.73
Sep-01		4.47	
Dec-01		3.52	3.99
Mar-02		2.96	
Jun-02	3.45	2.75	2.85
Sep-02		2.63	
Dec-02		2.31	2.47
Mar-03		1.98	
Jun-03	2.15	1.77	1.86
Sep-03		1.63	
Dec-03		1.56	1.59

**HISTORICAL PMIA YIELDS**  
(% per year), CONTINUED

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Quarterly*
Mar-04		1.47	1.47
Jun-04	1.53	1.44	1.44
Sep-04		1.67	1.67
Dec-04		2.00	2.00
Mar-05		2.38	2.37
Jun-05	2.26	2.85	2.85
Sep-05		3.18	3.18
Dec-05		3.63	3.63
Mar-06		4.03	4.03
Jun-06	3.87	4.53	4.53
Sep-06		4.93	4.93
Dec-06		5.11	5.11
Mar-07		5.17	5.17
Jun-07	5.12	5.23	5.23
Sep-07		5.24	5.24
Dec-07		4.96	4.96
Mar-08		4.18	4.17
Jun-08	4.33	3.11	3.11
Sep-08		2.77	2.77
Dec-08		2.54	2.53
Mar-09		1.91	1.90
Jun-09	2.22	1.51	1.51
Sep-09		0.90	0.89
Dec-09		0.60	0.59
Mar-10		0.56	0.55
Jun-10	0.65	0.56	0.56

**HISTORICAL PMIA YIELDS  
(% per year), CONTINUED**

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Quarterly*
Sep-10		0.51	0.50
Dec-10		0.46	0.46
Mar-11		0.51	0.51
Jun-11	0.50	0.48	0.48
Sep-11		0.38	0.38
Dec-11		0.38	0.38
Mar-12		0.38	0.37
Jun-12	0.38	0.36	0.36
Sep-12		0.35	0.35
Dec-12		0.32	0.32
Mar-13		0.28	0.28
Jun-13	0.31	0.24	0.25
Sep-13		0.26	0.25
Dec-13		0.26	0.25
Mar-14		0.23	0.22
Jun-14	0.25	0.22	0.23
Sep-14		0.24	0.23
Dec-14		0.25	0.25
Mar-15		0.26	0.25
Jun-15	0.27	0.28	0.28
Sep-15		0.32	0.32
Dec-15		0.37	0.36
Mar-16		0.46	0.46
Jun-16	0.43	0.55	0.54

**HISTORICAL PMIA YIELDS  
(% per year), CONTINUED**

Date	Annual Average	Allocation Rate	
		LAIF Quarterly	SMIF Quarterly*
Sep-16		0.60	0.60
Dec-16		0.68	0.67
Mar-17		0.78	0.77
Jun-17	0.754	0.92	0.92
Sep-17		1.07	1.07
Dec-17		1.20	1.13**
Mar-18		1.51	1.29**
Jun-18	1.376	1.90	1.53**
Sep-18		2.16	1.73**
Dec-18		2.40	1.92**
Mar-19		2.55	2.09**
Jun-19	2.266	2.57	2.15**
Sep-19		2.45	2.04**
Dec-19		2.29	1.86**
Mar-20		2.03	1.65**
Jun-20	1.934	1.47	1.24**
Sep-20		0.84	0.70**
Dec-20		0.63	0.50**
Mar-21		0.44	0.35**
Jun-21	0.50	0.33	0.28**

\*Effective January 1, 2004, SMIF earnings are allocated quarterly.

\*\*Does not include interest earned on the Supplemental Pension Payment pursuant to Government Code 20825 (c)(1).





**CALIFORNIA STATE TREASURER'S OFFICE**

915 Capitol Mall, Room 110  
Sacramento, California 95814  
(916) 653-2995  
[www.treasurer.ca.gov](http://www.treasurer.ca.gov)

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